

wismms.com

Varsity
Prep Sports

Weather

15°F
Fog
Forecast »

Sponsored by:
LANDMARK
First Choice for Great People

Calendar



- Find Events
- Dining Guide
- Movie Times

Cars



Find a used car to buy
Find a used Car:

Zip Code:

Vehicle Research:

- Find a New Car
- Sell a Car
- Research a Car
- Blue Book Values
- Buying Guides
- Payment Calculators

Local | Obituaries | Records | Engagement, Wedding, Anniversary | Photos | Special Sections

Advertisement

Posted February 8, 2008

Editorial: Insurance shouldn't depend on credit scores

What does your credit score say about your chances of getting in a car accident, or your chances of a tree falling on your house?

Common sense says not a whole heck of a lot. But the insurance industry disagrees.

Most insurers take into account your credit rating when figuring out how much they're going to charge you for your auto or homeowner's insurance. They say it's an accurate predictor of the claims they'll receive from you.

That might be true — though no actuarial study confirms it — but it's not right. The state Senate doesn't think so either. In a 17-15 vote last week, it passed a bill that would prevent insurance companies from using credit reports to decide how much they're going to charge you for your motor vehicle or home insurance — or if they're going to insure you at all.

As one of the bill's co-authors, Rep. Terese Berceau, D-Madison, told the Milwaukee Journal Sentinel, "If you're a bad driver, you pay more for your insurance."

Exactly. For vehicle insurance, past claims and driving record are fair factors. But credit reports can be unreliable — one study

Print | Email | Comment

Advertisement

Jobs



- Find a Job
- Fill a Job

Shopping



- On Sale
- Local Coupons

Apartments



- Rentals
- Place Ad

Dating



- Find a date
- Your profile

Homes



- For Sale
- New Homes

Classifieds



- Find Stuff
- Place Ad

Wisinfo



- Gateway to
- Wisconsin

showed that nearly one-third of them contain errors serious enough that they could lead to someone being denied a loan. Consumer groups also say there's a danger that credit scores could be used to rule out minorities or low-income people.

Now that the bill has passed the Senate, it moves to an Assembly committee chaired by Rep. Frank Lasee, R-Bellevue, who said he's opposed to the bill and has no plans to bring it up in his committee before the legislative session ends next month unless bill proponents are willing to compromise.

The current situation isn't in the best interest of Wisconsin residents, who will need to take a stand on this issue. As more of them are made aware of it — and are affected by it — it's hoped they will.

Community Conversation

[Add Story Chat Comment](#) | [View All Comments](#) | [Submit Letter to the Editor](#)

credit scores and insurance

Fri Feb 08, 2008 8:11 am

This then begs the question, "Is anything being done to get credit reporting agencies to keep accurate data?" I notice in my position in the tax department of the State of WI that often the credit reporting agencies have data that is outdated by YEARS!!! A report will show an unsatisfied warrant when, in fact the warrant was satisfied, or in some cases, even withdrawn more than two years ago. The satisfactions are on file at the clerk of courts office, and have been for several years, yet the agency continues to carry that particular warrant number as open. As a result we get calls about getting this fixed. There is nothing we can do if those responsible for credit reports choose not to keep their records current.

I am not sure if the insurance industry should take credit scores as a predictor of future accidents or not; certainly not until and unless the reports are more accurate.

However, lending institutions and apparently also insurers take their word for it. Why anyone would view credit data from the three big reporting agencies as reliable, is a mystery.

Explore More

Special Sections



Photo Galleries: Multimedia



Election 2008



Winter Wonderland of Homes



The Ultimate Bridal Event



DataMine



Watered Down: Appleton's water plant problems

Special Reports



432nd in Iraq: Bringing order to chaos



Packers Playoff Fever



Red Smith Sports Award Banquet



RU-486 abortion pill case



The death of Lara Plamann



Athletes of the Year

Things to Do

movie
LISTINGS »

LOCAL
events »

1 2
3 4 5 6 7 9
10 11 12 13 14 15 16
17 18 19 20 21 22 23
24 25 26 27 28 29

Add Your Own Event!

Advertisement

**Capture your favorite
school moments
from
The Post~Crescent
reproduced on a
beautiful plaque
or framed.**

**Perfect for teachers,
parents, kids &
grandparents.**



Order today at
ordermyreprint.com

[All special sections »](#)

[All magazines »](#)

[All special reports »](#)

[All magazines »](#)

Advertising Links

[Agriculture](#)
[Arts & Entertainment](#)
[Autos & Vehicles](#)

[Business Services](#)
[Community & Recreation](#)
[Education](#)

[Finance](#)
[Food & Dining](#)
[Health & Medical](#)

[Shopping](#)
[Sports & Recreation](#)
[Travel & Transportation](#)

Partners

[Jobs: CareerBuilder.com](#) | [Homes: Homescape.com](#) | [Cars: Cars.com](#) | [Apartments: Apartments.com](#) | [Shopping: ShopLocal.com](#)

Contact us at **920-993-1000**. [postcrescent.com](#) is a Gannett Company website.
Use of this site signifies your agreement to the [Terms of Service](#) and [Privacy Policy](#), updated April 11, 2007.

[Weather](#) | [Calendar](#) | [Jobs](#) | [Cars](#) | [Apartments](#) | [Shopping](#) | [Classifieds](#) | [Dating](#) | [Subscribe](#) | [Contact Us](#) | [Search](#)

Company Links



[Appleton Post-Crescent](#) | [Fond du Lac Reporter](#) | [Green Bay Press-Gazette](#) | [Manitowoc Herald Times Reporter](#) | [Marshfield News Herald](#)
[Oshkosh Northwestern](#) | [Sheboygan Press](#) | [Stevens Point Journal](#) | [Wausau Daily Herald](#) | [Wisconsin Rapids Daily Tribune](#)
[Door County Advocate](#) | [Go Door County](#) | [Kewaunee County News](#) | [Oconto County Reporter](#) | [De Pere Journal](#)

Advertisement

***Fighting cancer
takes world-class
expertise,
technology and
support.***

For more information
(920) 738-2184



www.affinityhealth.org